

MARICOPA COUNTY BOARD OF HEALTH MEETING

April 27, 2015

301 W. Jefferson Street, 10th Floor

Phoenix, Arizona 85003

Board of Supervisors Conference Room

Meeting was called to order at 2:51 p.m.

ROLL CALL:

Members Present:

Don Cassano

Andrew Ingram

Kip Steill

Members Absent:

Francisca Montoya

Mr. Steill announced that this meeting is going to be pressed for time, and the fiscal year 2016 budget recommendation is going to be reviewed next meeting.

DISCUSSION ITEMS:

1. Public Health Finance Report

Mr. Scot Pitcairn

This report is through the end of March, or 75% of the year. Public Health has spent 70.5% of the General Fund allocation. The net positive variance, budget to actuals, year to date is \$805,905. Most of this positive variance is in Personnel, and is from vacancy savings for the most part. Some of this is from higher-than-budgeted turnover, and a substantial share is from a few new higher-pay positions that have had delays in filling.

We expect this large positive variance to narrow as final policy-related contract payments come in, and the vacancy savings decreases. However, with the County's concerns over the effect of the 1978 voter-approved spending limitation proposition, we have not initiated any major new spending activity.

One negative variance on the work sheet is in Community Health Nursing for the child vaccine seasonal rush last fall, and Epidemiology, related to the measles outbreak.

Through three quarters of the year, 69% of the Grant Fund budget has been expended. Of the net positive expenditure variance of \$1.86 million, \$1.71 million is in personnel and \$153,799 is in operations. It is clear that the vacancy rate has generated some savings. In the Refugee Health Screenings program, expenditures are running ahead of budget year to date by \$196,511, but the fees from the RMAP (Refugee Medical Assistance Program) are not limited by a budget cap. The program with the largest positive expenditure variance is the Nutrition/SNAP-Ed grant, with payments to contractors/subrecipients have come in slower year to date.

Grant revenues year-to-date are showing as \$6.6 million short of budgeted revenues. A large part of this is from deferred revenue adjustment from last August made by

downtown Finance to reflect revenues that belonged in the prior fiscal year. It is for grant payments that are from months from last fiscal year.

The two largest negative variances in expenditures are in Overtime and Non-Capital Equipment. The overtime variance reflects the fact that the grant programs budget very little overtime initially, and use it as needed to make up for staff vacancies by hiring temps as needed. The Non-Capital Equipment is mostly to replace aging computers and a lesser amount for new computers for new grant staff. Some of the grant programs wait until later in the grant year to determine if they have enough remaining funds to replace computers, rather than budgeting for them initially.

For the Special Revenue Fund, we have spent 60% of our expenditure budget as of March month-end. Revenue through this period shows a positive variance of \$57,268. Actual revenues exceed expenditures by \$663,884, so this fund is more than structurally in balance three-quarters through the year.

Object 635 revenues are for our Vital Registration Office, and show a modest negative variance of \$176,448 compared to budget for the year to date. With the closure of the State's vital registration counter, we expect revenues to match or exceed budget by year-end. Patient Charges show a positive revenue variance of \$257,188.

The higher revenues largely come from Child Immunization collections, and help to offset the closure of the Adult Immunization/Foreign Travel clinic as of March 1.

The high negative variance in object 811 Health Care Services reflects the reallocation of lab fees from the Refugee grant account to the fee fund account, where collections are far exceeding original budget. This is in response to a question asked at the last meeting.

2. Environmental Services Finance Report

Ms. Diane Cabanillas

Ms. Cabanillas reported on two funds. The first one was the General Fund which had reported revenues at 72.78% over the year-to-date (YTD) budget and expenditures 12.06% under the YTD budget through March of FY 2014-15.

This variance is made up of a Personnel variance of \$85,218, Supplies & Services variance of \$334,498 and Capital Expenditures variance of \$38,600. The fund currently has a favorable variance, however, Environmental Services worked with OMB in order to appropriate additional funding for Vector Control. The funding has allowed for continued mosquito outbreak control due to unexpected heavy rain storms causing enormous amounts of standing water throughout the County during the months of September and October. Previously dispersed adulticides were washed away during these storms, making it necessary to re-treat all known breeding sites within Maricopa County. The funding allowed Environmental

Services to purchase Eight (8) totes of Duet, three (3) electric foggers, additional mosquito control products, such as adulticides and other directly related supplies.

The positive variance for Personnel Services is due to a high vacancy rate for Registered Sanitarians. Currently there are 19 vacant positions within the Environmental Health Division. A majority of the negative variance for Supplies/Services is due to the purchase of the Eastern Regional Office. Services is over \$74.2K due to design, project management, and building construction being accounted for as services vs. capital as originally budgeted. The purchase and construction of the building is currently under \$953.7K. Most expenses have already been allocated as the move in date for Environmental Services and the Public Advocate Office was March 23, 2015. Outstanding expenditures are for OET IT services that were provided during the move.

Adjournment

Prior to adjournment, Mr. Cassano questioned what was being done since the Adult Immunization clinic is now closed. Mr. Pitcairn replied that the adult immunization services are being offered elsewhere in the private sector, and the MCDPH website has referrals if this service is needed. There being no further business, motion was made by Mr. Ingram to adjourn the meeting. The motion was seconded by Don Cassano and the motion passed unanimously. Mr. Ingram adjourned the Finance meeting at 3:03 p.m.